



State of Utah

Utah Navajo Trust Fund



UNTF Board of Trustees Meeting Minutes

10:00 am – 3:00 pm, Friday, August 19, 2016

Teecnospos Chapter Administration Bldg

Highway 160 BIA School Road IR#N5114

Teecnospos, AZ 86514

I. CALL MEETING TO ORDER

a. Roll Call: v David Damschen v John Reidhead v Ken Matthews

The meeting was called to order at 10:30 a.m. All board members were in attendance and a quorum was established. Other guests included: Thom Roberts (AGs office), Alfred Myerson (Dine' Committee Member), Tony Dayish, Maury Bergman, Dorothy Phillip, Melinda Blackhorse (UNTF Staff), Alfred Jim, Steven Benally, Arnold Bidtah (Teecnospos Chapter), Wilbur Capitan (Aneth Chapter).

II. REVIEW & ACCEPTANCE OF MINUTES

a. July 29, 2016 UNTF Board of Trustees Meeting, Room 1112, State Office Bldg, Salt Lake City

Ken Matthews motioned to approve the July 29, 2016 minutes as presented, John Reidhead seconded. David Damschen, John Reidhead, and Ken Matthews voted in favor (3) of the motion, none (0) opposed.

III. OLD BUSINESS

a. UNTF Policies and Administrative Rules..... Board Members and Staff
(review and approved changes made by Dine' Advisory Committee)

The following sections are revisions to the UNTF Chapter Projects Rule and Housing Rules recommended as amendments to the rules as proposed by the Dine' Advisory Committee in their August 09, 2016 meeting.

R-661-4 Utah Navajo Trust Fund Chapter Projects

101. Intent

(3) Chapter projects must serve people determined to be in the greatest need by the Chapter, based on its annual priorities and/or community development planning and must take into consideration:

(a) Individuals 55 years of age or older currently ~~living in hogans and wanting a home~~ without utility services are top priority. **This was changed by the board but did not show up in the final version. The committee agrees with the board's revisions. Alfred Myerson motioned to recommend approval of this revision, 2nd by Henry Stevens, all members for in favor of the motion 5-0, None opposed.**

(c) Low Income families in accordance with State, Federal, and Navajo Nation guidelines. ~~"Low income" also means "no income."~~ **Jerrica Maryboy motioned to delete this sentence because the previous lawsuit against the State of Utah indicated that all eligible Utah Navajos can be assisted with UNTF financial assistance regardless of income, 2nd by Ryan Benally, the Yes votes in**

favor of the motion were 1) Melvin Capitan, 2) Ryan Benally, 3) Jerrica Maryboy, and 4) Alfred Myerson. One No vote in opposition was Henry Stevens.

(g) Applicants shall designate, in writing, an individual who will be named as the beneficiary or successor and will be responsible for the property in the event of applicant's death passing away or incapacitation. A Alfred Myerson motioned to recommend approval of this revision, 2nd by Henry Stevens, all members for in favor of the motion 5-0, None opposed.

R661-7-301 Housing Assistance Not Available

(1) And Octagon-shaped houses due to waste of materials.

Henry Stevens motioned to recommend add No. 1 to this list of items not eligible for housing assistance, 2nd by Alfred Myerson, Vote: 3-2, the Aye votes (3) in favor of the motion were made by 1) Melvin Capitan, 2) Alfred Myerson, 3) Henry Stevens, and the Nay votes in opposition were made by 1) Ryan Benally and 2) Jerrica Maryboy.

R661-7-501 Required Documentation for Housing Projects

(6) Proof of the applicant's contribution towards the construction, addition, or renovation of a dwelling in the form of receipts, for the purchase of cement as well as proof of purchase of adequate waterproof material for protection from moisture damage to the bags of cement purchased.

Jerrica Maryboy motioned to recommend this revision, 2nd by Ryan Benally, all members for in favor of the motion 5-0, None opposed.

The board agreed with most of the recommended revisions to the rules except for the strike-out of Rule 661-4-101 (3) (c) Low Income families in accordance with State, Federal, and Navajo Nation guidelines. "Low income" also means "no income." The board felt that this sentence should remain in the rule but it could be revised to meet the concerns of UNTF and the Dine' Advisory Committee. Legal counsel will come up with the appropriate language that would keep low income as a criteria in the Chapter Projects rule that would enable Chapter to use this criteria but not exclude those clients that are not low income.

During the discussion of this rule, a concern was brought up on recommendations for a procedure needed for vacant housing, especially in situations where a house is built for elderly, the client dies when the house is completed, and the family starts to argue over ownership. The current rule requires that a successor shall be named so it resolves future projects but not current situations. Wilbur Capitan commented that the Aneth Chapter's Housing Policy regarding elderly is not to build houses for elderly because of this problem; they prefer to build houses for younger families so they can get the most use out of the new house.

David Damschen explained the board members read the minutes from the Dine' Advisory Committee meeting in which it was stated that UNTF has to change to a totally different mindset and approach to all projects that are funded by UNTF. In the past, UNTF would fund the project in principle and UNTF staff would coordinate with the Chapter to ensure all requirements are met. Now, UNTF has to ensure that all facets of a project are ready to go by the time a funding proposal is submitted to the board. Mr. Damschen stated that the board doesn't mean to change UNTF's previous policies and protocol but we wanted to let

people know that as per SB-90, we have taken the policy network and refined it and presented it as administrative rules. The policies still have some flexibility to function within. The previous policies have been elevated or heightened and are now in the form of law. The board's position is to comply with the new legislation and the rules for the UNTF funding.

IV. NEW BUSINESS – none

V. REPORTS

- a. UNTF Projects Report.....Melinda Blackhorse

Melinda Blackhorse presented a Powerpoint presentation on the status of the Sunset Housing project, procedures for Chapter Projects including photos of projects, forms provided to Chapters, accounting tracking done by UNTF. During this presentation, Wilbur Capitan recommended that old UNTF funding approved for Aneth Chapter should be re-purposed and used for another project.

- b. Legal Research Report: are Old UNTF Grants applied to New UNTF Rules Thom Roberts

Thom Roberts presented his style of advising the board. He said that his role is to give advice; he doesn't want to control the way UNTF does things but to help board and staff to come to their own conclusions. He said he doesn't say you have to do this or don't do this, but here is the law and it's your decision what you decide to do. Some decisions can turn into a legal issue and I would advise you further. Regarding this question on the rules, applying rules retroactively under new rules, a limited type of analysis can be done to decide interim positions. Regarding the rules interpretation on this subject, specifically whether old Trust Fund allocations should be considered as part of the 25% project limit or not, his opinion is that generally the new rules shouldn't apply to an agreement that was made under old rules but circumstances change and new requirements apply. He added that his comments are geared toward helping the board and staff legally determine how UNTF wants to operate.

David Damschen stated that he does not want to take something away from something that was already established [previous project] but because of the environment we are currently in, which is that oil royalties are way down, interest is way down, the revenue flow is not there, there is an argument for stringency and not to over-allocate or over-spend. We might have some of those proposal come back to us for reconsideration but we should lean on the side of stringency on most, if not all, cases.

John Reidhead said that some people might be say we are hurting the project, but I don't think we are hurting the project because there is still UNTF funding there at a level we have developed. I am comfortable where we concluded last time [that old UNTF money is still UNTF money and it should be included in the calculation of the maximum levels of funding for projects].

Ken Matthews said it is a matter of clarifying all the details and needs of a project. We may not know about all the agreements, funding, and coordination from the previous projects but it is not set in stone [the proposal could be revisited and the rule can be revised if needed].

Tony Dayish said he could not come up with a counter argument that old UNTF money is still UNTF money, I've come to accept that. The thing to do is to review the rule to see if it is prudent to revise the rules to meet the needs. Mr. Dayish reported it has been experienced in several of the recent proposals that 25% of a project is not enough and that the Dine' Advisory Committee (DAC) was going to recommend increasing the amount to 35% but they could not because the language of the 25% rule was not there. The draft language containing the 25% limit was discussed a couple of times by the DAC and the board but somehow that language did not make it through the Administrative Rules process. It will be the intention of UNTF and the DAC to revise the current language to include an amount that is higher than the previously proposed 25% limit.

- c. Aneth Headstart Building Repair Project Tony Dayish

Tony Dayish reported that he inserted this funding request as a report to have the board become familiarized with the way these proposals are submitted. It is not an action item because several items are not included in the proposal and UNTF is coordinating with the Aneth Chapter to have them submit all the required documents. Mr. Dayish reported that the scope of work includes renovation of the Aneth Headstart Building that is owned by the Chapter. The Chapter received quotation from two vendors, one was awarded, and the project will be completed by the time the proposal is re-submitted to UNTF. Clarification is needed on the rooms that will receive the floortile since it is only enough for one room and the agreement between the Aneth Chapter and the Headstart program for use and maintenance of the building needs to be submitted to UNTF. Wilbur Capitan added that he did not know some of these requirements are applicable and they will be working on submitting the required documents.

- d. Oljato Chapter Housing Proposal: Wyona Atene Tony Dayish

Wyona Atene's house project and documentation was also included in the Reports section. This project does not have all the required documents yet as well. It is a large house 40'x60' and the matching funds to complete the project and the confirmed labor schedule needs to be submitted. NRF had approved \$12,013 and this request to UNTF is in the amount of \$6,012.49. UNTF staff are coordinating with the client and the Chapter to obtain the additional items needed.

- e. Report of Dine' Advisory Committee Meeting at UVU in Orem, UT Alfred Myerson

Alfred Myerson gave a brief presentation on the summit and DAC meeting held in Orem.

- f. Report: State Treasurer's Investment Policy Statement - Long Term Endowment David Damschen

David Damschen reported on the progress of the proposed investment of the Pelt settlement portion of the PTIF and provided an Investment Policy Statement handout. The Treasurer's office is currently working on a custody search for the fund.

- g. State of Utah Independent Agencies Audit Maury Bergman

David Damschen briefly commented on the Independent Agencies Audit and the importance of being compliant with the Open Meetings Act and ensuring that recording of motions and member votes, posting of minutes, and recordings of meetings should all be done in accordance with the requirements.

- h. UNTF Higher Education ReportDorothy Phillip

Dorothy Phillips provided the report on the college financial aid program. She also mentioned some concerns she had on the new residency rule and how the Chapters are not responding to setting up residency committees. She reported that only one Chapter, the Teecnospos Chapter, has set up a committee and has had one meeting. Dorothy recommended revising the residency rule and the higher education program rules to use the same procedure and language for the residency requirements as was used before 2016. This would involve revising the established rule and take some time before the new rule becomes effective. David Damschen clarified that UNTF cannot comply with the current rule and the revisions needs to be done right away so that college students can still get assisted this fall semester. Dorothy will head up the revisions and have them reviewed by Dine' Advisory Committee.

- i. UNTF Financial Report Maury Bergman

Maury Bergman provided the UNTF financial report. The UNTF-owned Blanding State Gov't Services Building was discussed regarding the maintenance reserves. One of the state agencies is wanting to know how much is in their maintenance reserve and the availability of these funds. Tony Dayish said that it was UNTF's understanding that DFCM had a setaside for the maintenance reserve since DFCM is the one that use to collect the rent from the state agencies apparently, they were not. When DWS and Human Services wanted to access the maintenance reserve, there was not an actual account for this within DFCM, so UNTF funds had to be used to pay for parking lot renovation expenses and chiller replacement expenses. DFCM did come up with a rent schedule that showed the rent amounts and the maintenance reserve amounts from FY-99 to FY-16. John Reidhead will set up a meeting with DFCM to incorporate a setaside of UNTF funds set up in a separate PTIF to resolve the maintenance reserve issues.

- j. UNTF Administrator's Report Tony Dayish

Mr. Dayish reported on the Regionalization Plan that the Navajo tribe is currently proposing. The plan is to do away with the current 110 Chapter houses and replace them with about 24 Regional Offices that would service 10-20 chapters each. The plan would also do away with Chapter officers and individual chapters, clients would have to travel to these regional offices to obtain services. Mr. Dayish added that the tribe has rolled around this idea for about 20 years, but it seems to be more serious this time because the tribe is experiencing funding problems and is proposing de-funding chapter operations and funding only the Regional office operations. Wilbur Capitan said the tribe spent lots of money and time on having these chapters become certified [independent] chapters and now they are throwing that out the door. This plan is going to be placed on the ballot as a referendum item.

VI. ANNOUNCEMENTS / BOARD ISSUES

- a. Diné Advisory Committee Meeting – September 09, 2016 – Naatsis'Aan Chapter House
- b. NRF Board Meeting – September 20, 2016 – Blanding GSB

VII. NEXT MEETING

- a. Board of Trustees: September 23, 2016 – Mexican Water Multi-Purpose Building, 10am – 3:00 pm

It was recommended that Open Meetings Act training should be conducted at the next UNTF Board of Trustees meeting.

VIII. ADJOURNMENT

Ken Matthews motioned to adjourn the meeting at 4:05 p.m., John Reidhead seconded. David Damschen, John Reidhead, and Ken Matthews voted in favor (3) of the motion, none (0) opposed.